

# Sales Tax in Arizona



# Model City Tax Code

- Cities & Towns impose sales taxes ~ 1960
- 1987: MCTC created to provide uniformity
- Improve ease of compliance for businesses
- All Cities and Towns use the MCTC
- DOR Program – Program vs. Non-Program
- Appendices
- Local & Model Options
- Green Pages

# Differences from the State

- Base Differences
  - Advertising
  - Speculative Builder / Owner Builder
  - Residential Rental
  - Commercial Lease
  - Real Property & TPP Licensing for Use
  - Food for Home Consumption

# Differences from the State

- Definitional Differences
  - City-based Nexus
  - Jet Fuel
  - Manufactured Buildings
  - Hotel Tax
  - Broker Category
  - Etc., Etc.

# Ongoing MCTC Clean-up Efforts

- Green Page Elimination
  - Many small items have already been removed by City and Town Councils
  - Broader Issue of Licensing
  - Common Item Conversions
  
- Option Reduction Efforts
  - Eliminate the Rarely Used
  - Reduce Multiple Variations
  - Renumber and Reorganize